GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

ITE&C Department – Implementation plan for Taiwan Desk by IESA with AP as the Partner state represented by AP Electronics & IT Agency - Orders – Issued.

INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS (Promotion Wing) DEPARTMENT

G.O.RT.No. 20 Dated: 24-03-2017

ORDER:

Indian Electronics & Semiconductor Association (IESA) has proposed to set up a Taiwan desk in Taipei manned by local Taiwanese employee. The desk is managed by IESA with AP as the partner state. The model proposed by IESA is annual fee for the next 5 years and a success fee based on the investment received in AP.

2. Government after careful examination decided to establish the Taiwan Desk in Taipei managed by IESA and with AP as partner state represented by AP Electronics & IT Agency (APEITA) limited to 3 years. The operational guidelines are as follows:

a. **Brand Build up & Focused Attention to GoAP**

The International Liaison Office will give GoAP a head start in the host country in terms of Brand Recognition and will treat AP State Government as a client known from the start, with access to the local market.

Given that the GoAP will take various delegations to the relevant countries and meet various companies for the purpose of attracting investments, the International Liaison Office will not only support in fixing the meetings for the delegation with the relevant companies, but will also ensure proper and timely follow up of these investment opportunities to maintain the continuity and taking the discussions further in the direction of bringing investments in the state of Andhra Pradesh.

b. **Benefit to Indian companies investing in Andhra Pradesh**

The International Liaison Office can also facilitate the tie-ups, collaborations, technology transfers etc. for the Indian companies, who already have or will invest in the state of Andhra Pradesh, within or outside the EMCs. Additionally, it can help these Indian companies who are operating in AP, to open up new marketing avenues for them in the host countries.

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c. **Financial commitments for the proposed period**

i. Fixed professional Fee (In Rupees Lakhs)

Year	***2017-18***	***2018-19***	***2019-20***	***Total***
Professional Fee	*40*	*43*	*47*	*130*
Service Tax (@15%)	*6*	*6*	*7*	*19*
Total	***46***	***49***	***54***	***149***

ii. Success Fee based on investment (In Rupees Lakhs)

Year	***2017-18***	***2018-19***	***2019-20***	***Total***
Target	*35*	*65*	*85*	*185*
%of Success Fee	*.25%*	*.15%*	*.125%*	*.16%*
Success Fee	*56*	*62*	*67*	*185*
Service Tax @15%	*8*	*9*	*10*	*27*
Total	***64***	***71***	*77*	***212***

d. **Financial Commitment for the year 2017-18**

i. Annual Fee to be paid Rs. 46 Lakhs
ii. Travel Expenses Rs.16.5 Lakhs

e. **Deliverables for the first year:**

I. Quarter 1 – Setting the desk & Initial Calls

During Q1, IESA will get all the regulatory approvals and they interview & select the candidate in Taiwan to be a Business Development person for the Taiwan Desk.

The IESA selected person after the joining will interact with APEITA officials, identify the thrust areas and shortlist companies to the target and additionally with the help of APEITA, will create value packs and start calling on the target customers one by one.

The process will cover initial call by IESA local representative in Taiwan. The IESA representative shall arrange multiple meetings over Telecon & Videocon and shortlist the client. The taiwan desk representative of IESA will work with APEITA officials to setup India site visit, arrange meetings with senior officials and enables to Sign the MoU. Post the MoU signing the IESA representative will follow up with the company to ensure to start their operations in AP within a definite period.

II. Expected minimum investments in AP from Taiwan Desk are as follows:

- Quarter 2 - Investment of USD 5 Million
- Quarter 3 - Investment of USD 10 Million
- Quarter 4 - Investment of USD 25 Million

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f. **Responsibilities of IESA and APEITA**

i. Responsibilities of IESA:

- Liaison with MeitY, GoI.
- Leverage IESA's MoUs and connect with ESDM sector related relevant industry associations in countries covered under the proposal to attract investments.
- Provide leads of companies, generated/gathered by IESA through its various initiatives, located in the geographical region covered by the International Desk, to GoAP.
- Provide relevant information to the marketing portal being set up by GoAP.
- Monitor the progress of the project and submit a report on the progress of the project up to the date of submission of the report to GoAP.

ii. Responsibilities of APEITA:

- Provide leads of companies located in the geographical region covered by the International Desk, generated/gathered by APEITA through its various initiatives, to IESA.
- Provide the requisite support to IESA and International Desk in obtaining necessary permission / registrations / approvals / clearances etc. as per the existing rules and regulations of the State of Andhra Pradesh.
- Help potential foreign investors to avail incentives under various schemes announced by State / Central Government, wherever applicable.
- Facilitate and support IESA to complete the aforesaid initiatives in the State of Andhra Pradesh in a time bound manner.

3. The CEO, APEITA shall ensure to operate the helpdesk as per the above guidelines and meet the expenditure from the budget allotted to the Society.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K.VIJAYANAND
PRINCIPAL SECRETARY TO GOVERNMENT

To
The CEO, AP Electronics & IT Agency, Vizag.
The Indian Electronics & Semiconductor Association (IESA)

Copy to:
The PS to Hon'ble C.M., Andhra Pradesh
The OSD to Hon'ble Minister for Information Technology, Andhra Pradesh
The OSD to Addl. Secretary to Hon'ble CM, Andhra Pradesh.
The PS to Prl. Secretary, IT,E&C dept, AP Secretariat.

// FORWARDED :: BY ORDER //

SECTION OFFICER